



QUARTERLY STATEMENT  
AS OF JUNE 30, 2015  
OF THE CONDITION AND AFFAIRS OF THE  
TOTAL HEALTH CARE, INC.

NAIC Group Code	1238 (Current Period)	1238 (Prior Period)	NAIC Company Code	95644	Employer's ID Number	38-2018957
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[X] No[ ] N/A[ ]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]	
Incorporated/Organized	07/01/1973		Commenced Business	05/01/1976		
Statutory Home Office	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)		DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)			
Main Administrative Office	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)					
	DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)		(313)871-2000 (Area Code) (Telephone Number)			
Mail Address	3011 W. GRAND BLVD. SUITE 1600 (Street and Number or P.O. Box)		DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)					
	DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)		(313)871-2000 (Area Code) (Telephone Number)			
Internet Web Site Address	THCMI.COM					
Statutory Statement Contact	NICOLE ROUSH, CFO (Name)		(313)871-6402 (Area Code)(Telephone Number)(Extension)			
	NROUSH@THCMI.COM (E-Mail Address)		(313)871-4762 (Fax Number)			

OFFICERS

Name	Title
RANDY NAROWITZ	EXECUTIVE DIRECTOR
JEANETTE ABBOTT	TREASURER
ROBYN JAMES ARRINGTON JR.,M.D.	MEDICAL DIRECTOR
DOUGLAS PAUL BAKER	CHAIRPERSON
RUBY OCTAVIA COLE	V-CHAIRPERSON/SECRETARY

OTHERS

DIRECTORS OR TRUSTEES

JEANETTE ABBOTT	DOUGLAS PAUL BAKER
RUBY OCTAVIA COLE	GERTRUDE HELEN MINKIEWICZ
ELIZABETH PRATCHER	LA-VENIA BROWN

State of Michigan  
County of WAYNE ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) RANDY NAROWITZ (Printed Name) 1. EXECUTIVE DIRECTOR (Title)	(Signature) NICOLE ROUSH (Printed Name) 2. CHIEF FINANCIAL OFFICER (Title)	(Signature) DOUGLAS PAUL BAKER (Printed Name) 3. CHAIRPERSON (Title)
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Subscribed and sworn to before me this day of , 2015  (Notary Public Signature)	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[ ]   
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ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds .....	999,985		999,985	998,579
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....	18,299,111		18,299,111	17,599,068
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2	Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3	Properties held for sale (less \$.....0 encumbrances) .....				
5.	Cash (\$.....40,501,351), cash equivalents (\$.....0) and short-term investments (\$.....1,902,222) .....	42,403,573		42,403,573	39,127,415
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Derivatives .....				
8.	Other invested assets .....				
9.	Receivables for securities .....				
10.	Securities lending reinvested collateral assets .....				
11.	Aggregate write-ins for invested assets .....				
12.	Subtotals, cash and invested assets (Lines 1 to 11) .....	61,702,669		61,702,669	57,725,062
13.	Title plants less \$.....0 charged off (for Title insurers only) .....				
14.	Investment income due and accrued .....	15,431		15,431	10,549
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection .....	873,074		873,074	1,376,788
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
15.3	Accrued retrospective premiums .....	189,000		189,000	189,000
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers .....	427,777		427,777	2,603
16.2	Funds held by or deposited with reinsured companies .....				
16.3	Other amounts receivable under reinsurance contracts .....				
17.	Amounts receivable relating to uninsured plans .....	139,000		139,000	139,000
18.1	Current federal and foreign income tax recoverable and interest thereon .....				
18.2	Net deferred tax asset .....				
19.	Guaranty funds receivable or on deposit .....				
20.	Electronic data processing equipment and software .....				
21.	Furniture and equipment, including health care delivery assets (\$.....0) .....				
22.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
23.	Receivables from parent, subsidiaries and affiliates .....				
24.	Health care (\$.....1,533,503) and other amounts receivable .....	2,363,413	829,910	1,533,503	1,056,462
25.	Aggregate write-ins for other than invested assets .....	365,801	323,709	42,092	
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	66,076,165	1,153,619	64,922,546	60,499,464
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28.	TOTAL (Lines 26 and 27) .....	66,076,165	1,153,619	64,922,546	60,499,464
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page .....				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501.	Prepaid Expenses .....	323,709	323,709		
2502.	Other Receivables .....	42,092		42,092	
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page .....				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	365,801	323,709	42,092	

**LIABILITIES, CAPITAL AND SURPLUS**

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded) .....	30,069,757		30,069,757	27,854,543
2.	Accrued medical incentive pool and bonus amounts .....	761,188		761,188	293,759
3.	Unpaid claims adjustment expenses .....	676,416		676,416	626,585
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserve .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....				
9.	General expenses due or accrued .....	1,137,459		1,137,459	1,717,865
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....				
10.2	Net deferred tax liability .....				
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....				20,986
16.	Derivatives .....				
17.	Payable for securities .....				
18.	Payable for securities lending .....				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20.	Reinsurance in unauthorized and certified (\$.....0) companies .....				
21.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
22.	Liability for amounts held under uninsured plans .....	61,000		61,000	61,000
23.	Aggregate write-ins for other liabilities (including \$.....0 current) .....				
24.	Total liabilities (Lines 1 to 23) .....	32,705,820		32,705,820	30,574,738
25.	Aggregate write-ins for special surplus funds .....	X X X	X X X		
26.	Common capital stock .....	X X X	X X X		
27.	Preferred capital stock .....	X X X	X X X		
28.	Gross paid in and contributed surplus .....	X X X	X X X		
29.	Surplus notes .....	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31.	Unassigned funds (surplus) .....	X X X	X X X	32,216,726	29,924,726
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	32,216,726	29,924,726
34.	Total Liabilities, capital and surplus (Lines 24 and 33) .....	X X X	X X X	64,922,546	60,499,464
DETAILS OF WRITE-INS					
2301.	.....				
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				
2501.	.....	X X X	X X X		
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X		
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

**STATEMENT OF REVENUE AND EXPENSES**

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months .....	X X X .....	391,440	367,592	751,756
2.	Net premium income (including \$.....0 non-health premium income) .....	X X X .....	160,641,604	119,314,900	272,273,797
3.	Change in unearned premium reserves and reserves for rate credits .....	X X X .....			
4.	Fee-for-service (net of \$.....0 medical expenses) .....	X X X .....			
5.	Risk revenue .....	X X X .....			
6.	Aggregate write-ins for other health care related revenues .....	X X X .....			
7.	Aggregate write-ins for other non-health revenues .....	X X X .....			
8.	Total revenues (Lines 2 to 7) .....	X X X .....	160,641,604	119,314,900	272,273,797
<b>Hospital and Medical:</b>					
9.	Hospital/medical benefits .....		98,081,697	78,816,048	169,214,941
10.	Other professional services .....		6,045,001	4,007,094	9,625,294
11.	Outside referrals .....				
12.	Emergency room and out-of-area .....		14,261,105	10,622,911	24,226,359
13.	Prescription drugs .....		15,441,719	12,451,418	26,931,024
14.	Aggregate write-ins for other hospital and medical .....		384,116	486,356	890,262
15.	Incentive pool, withhold adjustments and bonus amounts .....		43,316	101,718	5,681
16.	Subtotal (Lines 9 to 15) .....		134,256,954	106,485,545	230,893,561
<b>Less:</b>					
17.	Net reinsurance recoveries .....		427,322	(32,772)	194,198
18.	Total hospital and medical (Lines 16 minus 17) .....		133,829,632	106,518,317	230,699,363
19.	Non-health claims (net) .....				
20.	Claims adjustment expenses, including \$.....0 cost containment expenses .....		285,735	222,011	437,720
21.	General administrative expenses .....		24,853,850	12,018,504	36,151,072
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....				
23.	Total underwriting deductions (Lines 18 through 22) .....		158,969,217	118,758,832	267,288,155
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	1,672,387	556,068	4,985,642
25.	Net investment income earned .....		37,217	26,997	43,178
26.	Net realized capital gains (losses) less capital gains tax of \$.....0 .....				
27.	Net investment gains or (losses) (Lines 25 plus 26) .....		37,217	26,997	43,178
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....				
29.	Aggregate write-ins for other income or expenses .....				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	1,709,604	583,065	5,028,820
31.	Federal and foreign income taxes incurred .....	X X X .....			
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	1,709,604	583,065	5,028,820
<b>DETAILS OF WRITE-INS</b>					
0601.	.....	X X X .....			
0602.	.....	X X X .....			
0603.	.....	X X X .....			
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....			
0701.	.....	X X X .....			
0702.	.....	X X X .....			
0703.	.....	X X X .....			
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....			
1401.	Child Adolescent Outreach .....		383,766	486,356	890,262
1402.	Clinical Incentive .....		350		
1403.	.....				
1498.	Summary of remaining write-ins for Line 14 from overflow page .....				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....		384,116	486,356	890,262
2901.	.....				
2902.	.....				
2903.	.....				
2998.	Summary of remaining write-ins for Line 29 from overflow page .....				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....				

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>				
33.	Capital and surplus prior reporting year .....	29,924,726	23,235,523	23,235,523
34.	Net income or (loss) from Line 32 .....	1,709,604	583,065	5,028,820
35.	Change in valuation basis of aggregate policy and claim reserves .....			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....	700,043	(255,631)	2,138,461
37.	Change in net unrealized foreign exchange capital gain or (loss) .....			
38.	Change in net deferred income tax .....			
39.	Change in nonadmitted assets .....	(117,647)	(216,451)	(478,078)
40.	Change in unauthorized and certified reinsurance .....			
41.	Change in treasury stock .....			
42.	Change in surplus notes .....			
43.	Cumulative effect of changes in accounting principles .....			
44.	Capital Changes:			
44.1	Paid in .....			
44.2	Transferred from surplus (Stock Dividend) .....			
44.3	Transferred to surplus .....			
45.	Surplus adjustments:			
45.1	Paid in .....			
45.2	Transferred to capital (Stock Dividend) .....			
45.3	Transferred from capital .....			
46.	Dividends to stockholders .....			
47.	Aggregate write-ins for gains or (losses) in surplus .....			
48.	Net change in capital and surplus (Lines 34 to 47) .....	2,292,000	110,983	6,689,203
49.	Capital and surplus end of reporting period (Line 33 plus 48) .....	32,216,726	23,346,506	29,924,726
<b>DETAILS OF WRITE-INS</b>				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance .....	161,145,318	119,233,807	271,531,785
2.	Net investment income .....	32,335	25,535	42,611
3.	Miscellaneous income .....	(365,217)	(943,930)	(388,293)
4.	TOTAL (Lines 1 to 3) .....	160,812,436	118,315,412	271,186,103
5.	Benefit and loss related payments .....	131,572,163	100,566,992	222,828,526
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	25,670,160	12,111,186	35,175,494
8.	Dividends paid to policyholders .....			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....			
10.	TOTAL (Lines 5 through 9) .....	157,242,323	112,678,178	258,004,020
11.	Net cash from operations (Line 4 minus Line 10) .....	3,570,113	5,637,234	13,182,083
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds .....			
12.2	Stocks .....			
12.3	Mortgage loans .....			
12.4	Real estate .....			
12.5	Other invested assets .....			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		(2,055)	
12.7	Miscellaneous proceeds .....			
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7) .....		(2,055)	
13.	Cost of investments acquired (long-term only):			
13.1	Bonds .....		249,000	249,000
13.2	Stocks .....			
13.3	Mortgage loans .....			
13.4	Real estate .....			
13.5	Other invested assets .....			
13.6	Miscellaneous applications .....	1,406		2,029
13.7	TOTAL investments acquired (Lines 13.1 to 13.6) .....	1,406	249,000	251,029
14.	Net increase (or decrease) in contract loans and premium notes .....			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(1,406)	(251,055)	(251,029)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes .....			
16.2	Capital and paid in surplus, less treasury stock .....			
16.3	Borrowed funds .....			
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5	Dividends to stockholders .....			
16.6	Other cash provided (applied) .....	(292,549)	(945)	93,488
17.	Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	(292,549)	(945)	93,488
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	3,276,158	5,385,234	13,024,542
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year .....	39,127,415	26,102,873	26,102,873
19.2	End of period (Line 18 plus Line 19.1) .....	42,403,573	31,488,107	39,127,415

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
20.0002				

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1  Total	Comprehensive (Hospital & Medical)		4  Medicare Supplement	5  Vision Only	6  Dental Only	7  Federal Employees Health Benefit Plan	8  Title XVIII Medicare	9  Title XIX Medicaid	10  Other
		2  Individual	3  Group							
Total Members at end of:										
1. Prior Year .....	62,675	2						248	62,425	
2. First Quarter .....	65,119							272	64,847	
3. Second Quarter .....	65,571							255	65,316	
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	391,440							1,584	389,856	
Total Member Ambulatory Encounters for Period:										
7. Physician .....	225,678							2,265	223,413	
8. Non-Physician .....	93,101							923	92,178	
9. Total .....	318,779							3,188	315,591	
10. Hospital Patient Days Incurred .....	30,190							491	29,699	
11. Number of Inpatient Admissions .....	5,684							64	5,620	
12. Health Premiums Written (a) .....	161,109,291							2,162,099	158,947,192	
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	161,109,291							2,162,099	158,947,192	
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	131,146,988	54						2,126,733	129,020,201	
18. Amount Incurred for Provision of Health Care Services .....	134,256,954							2,153,549	132,103,405	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.0.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
Claims unpaid (Reported)						
Envision Rx .....	2,603,036					2,603,036
0199999 Individually Listed Claims Unpaid .....	2,603,036					2,603,036
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	11,110,534					11,110,534
0499999 Subtotals .....	13,713,570					13,713,570
0599999 Unreported claims and other claim reserves .....						16,356,187
0699999 Total Amounts Withheld .....						
0799999 Total Claims Unpaid .....						30,069,757
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						761,188



**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical) .....	4,906	(31,497)	33,569		38,475	7,052
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....	491,095	1,670,801	21,083	57,611	512,178	84,438
7.	Title XIX - Medicaid .....	24,779,519	104,656,279	1,028,676	28,928,818	25,808,195	27,763,054
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	25,275,520	106,295,583	1,083,328	28,986,429	26,358,848	27,854,544
10.	Healthcare receivables (a) .....						
11.	Other non-health .....						
12.	Medical incentive pools and bonus amounts .....	56,680	(480,793)	237,079	524,109	293,759	293,759
13.	Totals (Lines 9 - 10 + 11 + 12) .....	25,332,200	105,814,790	1,320,407	29,510,538	26,652,607	28,148,303

(a) Excludes \$.00 loans or advances to providers not yet expensed.

**Notes to Financial Statement**

**1. Nature of Business and Summary of Significant Accounting Policies**

Total Health Care, Inc. (the "Company"), a not-for-profit corporation, operates as a state-licensed health maintenance organization (HMO). The Company provides medical services to persons primarily in southeastern Michigan who subscribe as recipients of federal and state health benefits or as individuals.

Total Health Care, Inc., and its wholly owned subsidiary, Total Health Care USA, Inc., have common officers on their respective governing boards.

**a. Accounting Practices**

The accompanying financial statements of Total Health Care, Inc. (the "Company" or "THC") have been prepared in conformity with statutory accounting practices prescribed or permitted by Section 1007 of the Michigan statutes of the state of Michigan for determining and reporting the financial conditions and results of operations of an insurance company for determining its solvency under Michigan Insurance law. The National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Michigan.

Statutory accounting principles differ from generally accepted accounting principles (GAAP) in their definition of assets and liabilities. Specifically, certain assets (such as intangible assets and receivables greater than 90 days) are excluded from the statutory-basis balance sheet. GAAP net assets exceed statutory net assets by approximately \$1,154,000 and \$1,036,000 at June 30, 2015 and December 31, 2014, respectively. There are no significant differences between statutory accounting principles prescribed by NAIC and the State of Michigan accounting requirements that are applicable to the Company.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Michigan is shown below:

	<u>2015</u>	<u>2014</u>
(1) Net Income Michigan state basis	1,709,604	5,028,820
(2) State Prescribed Practices (Income):	-	-
(3) State Permitted Practices (Income):	-	-
(4) Net Income, NAIC SAP	1,709,604	5,028,820
(5) Statutory Surplus Michigan basis	32,216,726	29,924,726
(6) State Prescribed Practices (Surplus):	-	-
(7) State Permitted Practices (Surplus):	-	-
(8) Statutory Surplus, NAIC SAP	32,216,726	29,924,726

**b. Use of Estimates in the Preparation of the Financial Statements.**

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Certain significant estimates exist relating to unpaid claims. It is at least reasonably possible that these estimates will be materially revised in the near term.

**c. Accounting Policy**

**Cash and Short-term Investments** - The Company considers all highly liquid investments purchased with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit in banks or other similar financial institutions with maturity dates of one year or less from the acquisition date are considered cash under statutory accounting principles. Short-term investments are stated at amortized cost.

In addition, the Company uses the following accounting policies:

(1) Short-term investments and long-term certificates of deposit are recorded at amortized cost, which approximates fair market value. Long-term certificates of deposit are classified as bonds on the balance sheet per statutory guidance. Investment income or loss (including realized gains and losses on

## Notes to Financial Statement

investments, interest, and dividends) is included in net investment income on the statement of operations. Changes in unrealized gains and losses on investments are included as a direct adjustment to capital and surplus.

(2) Bonds not backed by other loans are stated at amortized cost using the interest method.

(3) The Company had no common stocks except items noted in (7) below.

(4) The Company had no preferred stocks.

(5) The Company had no mortgage loans.

(6) The Company had no loan-backed securities.

(7) The Company had investments in health care subsidiaries which are reported at the statutory net worth value of the subsidiary under the equity method and are reported as common stocks on the balance sheet.

(8) The Company had no joint ventures of limited partnerships.

(9) The Company had no derivatives.

(10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.

(11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

(12) The Company has not modified its capitalization policy from the prior period.

(13) The Company's pharmaceutical rebate receivables are estimated based prior period actual receipts.

**Revenue Recognition and Accounts Receivable** – Capitation revenue and subscriber premiums are recognized in the period that members are entitled to related health care services. A portion of the health care receivable is due from third-party payors for subscribers located within southeastern Michigan. No allowance for doubtful accounts is recorded at June 30, 2015 and December 31, 2014, respectively. Receivables greater than 90 days old are treated as non-admitted for statutory accounting purposes. Approximately \$830,000 and \$942,000 of receivables greater than 90 days old were non-admitted at June 30, 2015 and December 31, 2014, respectively.

**Recognition of Medical and Hospital Expenses** - Medical and hospital expenses and the related liabilities are recorded when eligible medical and hospital services are authorized or performed. Claims unpaid represent management's estimate of the ultimate cost to settle all claims incurred prior to year-end. Capitation retained for the settlement of risk-sharing is included in the accrued medical incentive pool liability at June 30, 2015 and December 31, 2014, respectively.

**Physician Group Contracts** - The Company contracts with physician groups for the provision of medical care and compensates the groups on a capitation basis. These contracts have a specialty claims incentive and pay-for-performance incentive. If the providers meet the incentives, they share in the savings and a payable is recorded. If the providers do not meet the incentives, they share in the excess costs and a health care receivable is recorded if deemed collectible by management. During 2015 and 2014, health care receivables and payables have been recorded from/to providers.

**Hospital Group Contracts** - The Company contracts with several hospitals and other groups. These contracts are paid under capitated fees or various other charge arrangements.

**Malpractice Claims** - The Company has a claims-made policy for malpractice insurance. The Company's policy is to accrue for estimated costs of claims and incidents during the term of the claims-made policy.

**Notes to Financial Statement**

**Employee Staffing and Purchased Services Agreement** - The Company has an employee staffing and purchased services agreement with a limited liability company, which is responsible for payment of most of the management, operational, and administrative expenses. Ultimate operational control rests with the board of directors of Total Health Care, Inc.

**Income Taxes** - Total Health Care, Inc. has received federal income tax exemption under Internal Revenue Code Section 501(c)(4). The Company is also exempt from state and local income taxes.

**2. Accounting Changes and Corrections of Errors**

None

**3. Business Combinations and Goodwill**

**a. Statutory Purchase Method-** None

**b. Statutory Merger** - None

**c. Assumption Reinsurance** – None

**d. Impairment Loss** – None

**4. Discontinued Operations**

None

**5. Investments**

a. Mortgage Loans, including Mezzanine Real Estate Loans – None

b. Debt Restructuring – None

c. Reverse Mortgages – None

d. Loan-Backed Securities – None

e. Repurchase Agreements and/or Securities Lending Transactions – None

f. Real Estate – None

g. Low-income housing tax credits (LIHTC) – None

h. (1) Restricted Assets (Including Pledged)

Restricted Asset Category	1	2	3	4	5	6
	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/(Decrease) (1 minus 2)	Total Current Year Admitted Assets	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements						
c. Subject to repurchase agreements						
e. Subject to reverse repurchase agreements						
e. Subject to dollar repurchase agreements						
f. Subject to dollar reverse repurchase agreements						

**Notes to Financial Statement**

g. Placed under option contracts						
h. Letter stock or securities restricted as to sale						
i. On deposit with states	1,003,985	1,010,717	(6,732)	1,003,985	1.52%	1.55%
j. On deposit with other regulatory bodies						
k. Pledged as collateral not captured in other categories						
l. Other restricted assets						
m. Total Restricted Assets	\$ 1,003,985	\$ 1,010,717	\$ (6,732)	\$ 1,003,985	1.52%	1.55%

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories – None

(3) Detail of Other Restricted Assets – None

- i. Working Capital Finance Investments - None
- j. Offsetting and Netting of Assets and Liabilities - None
- k. Structured Notes – None

**6. Joint Ventures, Partnerships and Limited Liability Companies**

- A. The Company does not have any Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of the admitted assets.
- B. The Company does not have any impaired investment in Joint Ventures, Partnerships or Limited Liability Companies.

**7. Investment Income**

- a. All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default are excluded from surplus.
- b. The Company had no investment income due and accrued excluded from surplus.

**8. Derivative Instruments**

None

**9. Income Taxes**

None

**10. Information Concerning Parent, Subsidiaries and Affiliates**

**a, b, & c**

The Company owns 100 percent of a subsidiary: Total Health Care USA, Inc., whose carrying value is equal to or exceeds 10% of the total admitted assets of the company. The Company carries Total Health Care USA, Inc. at the statutory net worth value of the subsidiary under the equity method and are reported as common stocks on the balance sheet.

Total Health Care USA, Inc. has a statutory statement value of \$18,299,111 and \$17,599,068 at June 30, 2015 and December 31, 2014, respectively. The value of investments in Total Health Care USA, Inc. has been reduced by non-admitted assets totaling \$1,388,899 and \$948,946 at June 30, 2015 and December 31, 2014, respectively.

## Notes to Financial Statement

Total Health Care USA, Inc.'s (Total USA) net income was \$1,139,996 and \$2,272,548 at June 30, 2015 and December 31, 2014, respectively, and therefore the company's investment in Total USA increased by the same amount less the change in non-admitted assets of \$(117,647) in 2015 and \$134,087 in 2014.

**d. Amounts Due from or (to) Related Parties** – At June 30, 2015 and December 31, 2014, the Company had amounts due from (to) subsidiaries of \$0 and \$(20,986), respectively, resulting from costs paid (for) by the Company on behalf of subsidiaries for operating expenses.

**e. Guarantees** – The Company has no guarantees with any companies within its holding company structure.

**f. Material management contracts** – The Company has an employee, office space, and equipment leasing agreement with Total Health Care USA, Inc. (USA). The agreement calls for the Company to provide personnel, office space, and supplies necessary to USA in order for USA to carry out its HMO business operations. The agreement calls for USA to pay the Company 12 to 13 percent of USA's gross revenue from the second preceding month after certain deductions. During 2015 and 2014, the proceeds from this arrangement totaled \$9,993,359 and \$17,325,541, respectively.

**g. Common Control** - Total Health Care, Inc., and its wholly owned subsidiary, Total Health Care USA, Inc., have common officers on their respective governing boards. Total Health Care, Inc., the Parent Company, is domiciled in the State of Michigan.

**h. Deductions in Value** - There have been no deductions in value between affiliated companies.

**i. SCA that exceed 10% of Admitted Assets** - None

**j. Impaired SCAs** - The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled, or Affiliated Companies during the statement period.

**k. Foreign Subsidiary** - None

**l. Downstream Noninsurance Holding Company** - None

### 11. Debt

None

### 12. Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and other Postretirement Benefit Plans.

a.- d. Defined Benefit Plan – None

e. Defined Contribution Plans – None.

f. Multi-Employer Plan – None

g. Consolidated/Holding Company Plans – None

h. Post-Employment Benefits and Compensated Absences – None

i. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – None

### 13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

1) The Company has issued no capital stock.

2) The Company has no preferred stock outstanding.

(3) Dividends are paid as determined by the Board of Directors with the approval of the Commissioner of the State of Michigan Office of Insurance Regulation, as long as the Company meets or exceeds minimum surplus requirements.

(4) During 2015 the Company did not pay dividends.

## Notes to Financial Statement

(5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

(6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being paid.

(7) The Company has no advances to surplus not repaid.

(8) The Company held no stock.

(9) There were no changes to the balances of any special surplus funds from the prior year.

(10) The portion of unassigned funds (surplus) represented or increased (decreased) by unrealized gains (losses) is \$700,043 and \$2,138,461 at June 30, 2015 and December 31, 2014, respectively. The portion of unassigned funds (surplus) represented by the change in non-admitted asset value is \$(117,647) and \$(478,078) at June 30, 2015 and December 31, 2014, respectively.

(11) The Company did not issue any surplus debentures or similar obligations.

(12) and (13) There have been no quasi-reorganizations.

### 14. Contingencies

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation and other matters are not considered material in relation to the financial position of the Company. No amounts have been accrued for losses as no losses are deemed probable or estimable. Estimated losses for claims-related matters are accrued as claims unpaid.

a. Contingent Commitments – None

b. Assessments – None

c. Gain Contingencies – None

d. Claims related extra contractual obligations and bad faith losses stemming from lawsuits – None

e. Joint and Several Liabilities - None

f. All Other Contingencies – There are no balances of assets covered by SSAP No. 6, Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers, SSAP No. 47, Uninsured Plans, or SSAP No. 66, Retrospectively Rated Contracts.

### 15. Leases

A. Lessee Operating Lease

(1) The Company leases office space and computer software services under various non-cancelable operating lease agreements that expire through July, 2022. Rent payments are the responsibility of the management company and are included in the monthly payment under the employee staffing and purchased services agreement. Rent expense for 2015 and 2014 was approximately \$601,266 and \$1,175,322, respectively.

(2) The future minimum rental payments under the operating lease as of June 30, 2015 are as follows:

**Notes to Financial Statement**

<u>Year Ending December 31</u>	<u>Operating Leases</u>
2015	\$ 601,266
2016	232,702
2017	144,187
2018	144,187
2019	144,187
Thereafter	372,483
<b>Total</b>	<b><u>\$ 1,639,012</u></b>

(3) The company is not involved in any material sales – leaseback transactions.

**B. Lessor Leases**

None

**16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations Of Credit Risk.**

None

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.**

- a. Transfers of Receivables reported as Sales – None
- b. Transfer and Servicing of Financial Assets – None
- c. Wash Sales – None

**18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans.**

- a. ASO Plans – None
- b. ASC Plans – None.
- c. Medicare or Other Similarly Structured Cost Based Reimbursement Contract - None

**19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators.**

None

**20. Fair Value Measurements**

The following table presents information about the Company’s assets and liabilities measured at fair value at June 30, 2015, and the valuation techniques used by the Company to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based in the lowest level input that is significant to the valuation. The Company’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.



**Notes to Financial Statement**

**A. (1) Fair Value Measurements at Reporting Date**

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at Fair Value				
Perpetual Preferred Stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ -	\$ -	\$ -
Bonds				
U.S. Governments	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	-	999,985	-	999,985
Hybrid Securities	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Bonds	\$ -	\$ 999,985	\$ -	\$ 999,985
Common Stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Common Stocks	\$ -	\$ -	\$ -	\$ -
Derivative Assets				
Interest Rate Contracts	\$ -	\$ -	\$ -	\$ -
Foreign Exchange Contracts	-	-	-	-
Credit Contracts	-	-	-	-
Commodity Futures Contracts	-	-	-	-
Commodity Forward Contracts	-	-	-	-
Total Derivatives	\$ -	\$ -	\$ -	\$ -
Separate Account Assets				
	\$ -	\$ -	\$ -	\$ -
Total Assets at Fair Value	\$ -	\$ 999,985	\$ -	\$ 999,985
b. Liabilities at Fair Value				
Derivative Liabilities	\$ -	\$ -	\$ -	\$ -
Total Liabilities at Fair Value	\$ -	\$ -	\$ -	\$ -

**(2) Fair Value Measurements in (Level 3) of the Fair Value - None**

(3) The Company’s policy for determining when transfers between levels are recognized is determined at the end of the reporting period.

(4) The Company has not valued any securities at a Level 3.

(5) Derivative assets and liabilities- None

**B. N/A**

**C. Aggregate Fair Value for all Financial Instruments**

Type of Financial Instrment	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	\$ 999,985	\$ 999,985	\$ -	\$ 999,985	\$ -	\$ -
Common Stock	-	-	-	-	-	-
Perpetual Preferred Stock	-	-	-	-	-	-
Mortgage Loans	-	-	-	-	-	-
Totals	\$ 999,985	\$ 999,985	\$ -	\$ 999,985	\$ -	\$ -

**D. Not Practicable to Estimate Fair Value – N/A**

## Notes to Financial Statement

### 21. Other Items

a. Extraordinary Items – None

b. Troubled Debt Restructuring – None

c. Other Disclosures and Unusual Items – Funds Maintained Under Statutory Requirements - The Company maintains segregated funds under statutory requirements to protect members and health care providers in the event the Company is unable to meet its contractual obligations. These funds can be used only at the direction of the insurance commissioner in accordance with statutory and contractual provisions. These funds are classified according to the nature of the investment. At June 30, 2015 and December 31, 2014, the Company maintained \$1,003,985 and \$1,010,717, respectively, in long-term certificates of deposit and money market funds to fulfill these requirements. Interest earned on these funds can be utilized by the Company.

At June 30, 2015 and December 31, 2014, the Company had admitted assets of \$2,734,577 and \$2,761,250, respectively, in accounts receivable for amounts due from subscribers, governmental entities, and other health care providers. During 2015 and 2014, the Company routinely assessed the collectability of these receivables and directly wrote off any uncollectible receivables accordingly. Receivables not expected to be collected within 90 days were considered non-admitted.

d. Business Interruption Insurance Recoveries - None

e. State Transferable and Non-transferable Tax Credits - None

f. Subprime Mortgage Related Risk Exposure – None, The Companies wholly-owned subsidiaries have no activity related to subprime related risk exposure.

g. Retained Assets – None

### 22. Events Subsequent

Type I. – Recognized Subsequent Events – No Change

Subsequent events have been considered through 02/23/2015 for the statutory statement issued on December 31, 2014.

None

Type II. – Non-recognized Subsequent Events – No Change

Subsequent events have been considered through 02/23/2015 for the statutory statement issued on December 31, 2014.

On January 1, 2015, the Company will not be subject to an annual fee under section 9010 of the Affordable care Act (ACA) because it qualifies as a nonprofit corporation meeting the requirements of Section 57.2(b)(2)(iv) of the Act. This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2014, the Company has written health insurance subject to the ACA assessment but qualifies as a nonprofit corporation meeting the requirements as noted above, expects to conduct health insurance business in 2015, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2015 to be \$0. This assessment is expected to impact risk based capital by 0%. Reporting the ACA assessment as of December 31, 2014 would not have triggered an RBC action level.

**Notes to Financial Statement**

	<u>Current Year</u>	<u>Prior Year</u>
A. ACA fee assessment payable for the upcoming year	\$ -	\$ -
B. ACA fee assessment paid	\$ -	\$ -
C. Premium written subject to ACA 9010 assessment	\$ -	\$ -
D. Total Adjusted Capital before surplus adjustment	\$29,924,726	
E. Authorized Control Level before surplus adjustment	\$13,043,525	
F. Total Adjusted Capital after surplus adjustment	\$29,924,726	
G. Authorized Control Level after surplus adjustment	\$13,043,525	
H. Would reporting the ACA assessment as of Dec. 31, 2014 trigger an RBC action level? (YES/NO)	No	

**23. Reinsurance**

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes ( )                      No ( x )

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( )                      No ( x )

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes ( )                      No ( x )

a. Not Applicable

b. The Company had reinsurance recoverable receivables of \$427,777 and \$2,603 recorded at June 30, 2015 and December 31, 2014, respectively. The estimated reduction in surplus is zero.

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( )                      No ( x )

Section 3 – Ceded Reinsurance Report – Part B

(1) The estimated reduction in surplus is zero.

(2) The Company has renewed an agreement with Star Line Group effective November 1, 2014. The reinsurance policy provides the same coverage’s on an annual per member basis after a \$220,000 (Medicaid non-CSHCS, Dual eligible and Medicare) to \$300,000 (Medicaid CSHCS and Commercial Individual) deductible is reached. The maximum lifetime reinsurance indemnity payable under each agreement is \$2,000,000 per member. The reinsurance policy also provides for a supplemental corridor adjustment to reinsurance recoverable applied with the lower of: 1) 50% of reinsurance premiums paid, or 2) the amount by which reinsurance recoverable exceed 50% of the reinsurance premiums paid.

B. Uncollectible Reinsurance – None

**Notes to Financial Statement**

C. Commutation of Ceded Reinsurance – None

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - None

**24. Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. The Company estimates accrued retrospective premium adjustments for its group health insurance business through a mathematical approach using an algorithm of the company’s underwriting rules and experience rating practices.

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. The amount of net premiums written by the Company at June 30, 2015 that are subject to retrospective rating features was \$0 that represented 0% of the total net premiums written. No other net premiums written by the Company are subject to retrospective rating features.

D. At December 31, 2014, the Company had no medical loss ratio rebates required pursuant to the Public Health Service Act.

E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premiums which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? NO

The Company has zero balances for the risk corridors program.

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

**Notes to Financial Statement**

<u>a. Permanent ACA Risk Adjustment Program</u>	<u>Amount</u>
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	\$ -
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 16
3. Premium adjustments payable due to ACA Risk Adjustment	\$ -
Operations (Revenue & Expenses)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ -
5. Reported in expenses as ACA risk adjustment user fees (incurred/Paid)	\$ -
<u>b. Transitional ACA Reinsurance Program</u>	
Assets	
1. Amount recoverable for claims paid due to ACA Reinsurance	\$ -
2. Amount recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	\$ -
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$ -
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ 1
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$ -
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$ -
Operations (Revenue & Expenses)	
7. Ceded reinsurance premiums due to ACA Reinsurance	\$ -
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	
9. ACA Reinsurance contributions - not reported as ceded premium	\$ -
<u>c. Temporary ACA Risk Corridors Program</u>	
Assets	
1. Accrued retrospective premiums due to ACA Risk Corridors	\$ -
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$ -
Operations (Revenue & Expenses)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$ -
4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$ -

Notes to Financial Statement

(3) Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before December 31 of the  Prior Year		Received or Paid as of the Current Year on Business Written Before December 31  of the Prior Year		Differences		Adjustments			Unsettled Balances as of the		
										Reporting Date		
					Prior Year Accrued Less Payment \$  (Col 1-3)	Prior Year Accrued Less Payment \$  (Col 2-4)	To Prior Year  Balances	To Prior Year  Balances		Cummula tive Balance from Prior years (Col1- 3+7)	Cummula tive Balance from Prior years (Col2- 4+8)	
	1 Receiva ble	2 (Payable )	3 Receiva ble	4 (Payable)	5 Receivab le	6 (Payable)	7 Receivab le	8 (Payable)	9 Re f	10 Receivabl e	11 (Payable)	
a. Permanent ACA Risk Adjustment Program 1. Premium adjustments receivable 2. Premium adjustments (payable) 3. Subtotal ACA Permanent Risk  Adjustment Program	-	-	-	-	-	-	-	-	-	A	-	-
b. Transitional ACA Reinsurance Program 1. Amounts recoverable for claims  paid 2. Amounts recoverable for claims  unpaid (contra liability) 3. Amounts receivable relating to  uninsured plans 4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premiums 5. Ceded reinsurance premiums  payable 6. Liability for amounts held under  uninsured plans 7. Subtotal ACA Transitional  Reinsurance Program	-	-	-	-	-	-	-	-	-	C	-	-
c. Temporary ACA Risk Corridors Program 1. Accrued retrospective premium 2. Reserve for rate credits or policy  experience rating refunds 3. Subtotal ACA Risk Corridors  Program	-	-	-	-	-	-	-	-	-	D	-	-
d. Total for ACA Risk Sharing Provisions	-	-	-	-	-	-	-	-	-	E	-	-
	-	820.00	-	819.00	-	1.00	-	-	-	F	-	1.00
	-	-	-	-	-	-	-	-	-	G	-	-
	-	-	-	-	-	-	-	-	-	H	-	-
	-	820.00	-	819.00	-	1.00	-	-	-		-	1.00
	-	-	-	-	-	-	-	-	-	I	-	-
	-	-	-	-	-	-	-	-	-	J	-	-
	-	-	-	-	-	-	-	-	-	K	-	-
	-	820.00	-	819.00	-	1.00	-	-	-		-	1.00

Explanations of Adjustments

- A
- B
- C
- D
- E

**Notes to Financial Statement**

F

G

H

I

J

K

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2014 were \$28,774,888. As of June 30, 2015, \$25,332,201 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$1,320,407 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Comprehensive Medical lines of business. Therefore, there has been a \$2,122,281 favorable prior-year development since December 31, 2014 to June 30, 2015. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

Reserves as of December 31, 2013 were \$20,849,498. As of December 31, 2014, \$19,316,012 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$109,185 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Comprehensive Medical lines of business. Therefore, there has been a \$1,424,301 favorable prior-year development since December 31, 2013 to December 31, 2014. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

The Company reports risk-sharing receivables and payables related to global capitation and specialty claims arrangements based upon the terms of its contracts.

No Change

29. Participating Policies

None

30. Premium Deficiency Reserves – No Change

1. Liability carried for premium deficiency reserves

\$0
2. Date of the most recent evaluation of this liability

02/23/2015
3. Was anticipated investment income utilized?

Yes ☐ No ☒

31. Anticipated Salvage and Subrogation

Loss reserves have not been reduced for any salvage or subrogation. During 2015 and 2014, the Company received subrogation totaling \$134,863 and \$109,554, respectively.



**Notes to Financial Statement**

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[ ]
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[ ] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

If yes, attach an explanation.

Yes[ ] No[ ] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2012
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2012
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/02/2014
- 6.4 By what department or departments?

Michigan Department of Insurance & Financial Services
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[X] No[ ] N/A[ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[ ] N/A[ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
N/A		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ 0
13. Amount of real estate and mortgages held in short-term investments:

\$ 0

**GENERAL INTERROGATORIES (Continued)**

**INVESTMENT**

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

14.2 If yes, please complete the following:

Yes☒ No☐

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21	Bonds .....		
14.22	Preferred Stock .....		
14.23	Common Stock .....	17,599,068	18,299,111
14.24	Short-Term Investments .....		
14.25	Mortgages Loans on Real Estate .....		
14.26	All Other .....		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	17,599,068	18,299,111
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes☐ No☒  
Yes☐ No☐ N/A☒

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.3 Total payable for securities lending reported on the liability page

\$ ..... 0  
\$ ..... 0  
\$ ..... 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes☒ No☐

1	2
Name of Custodian(s)	Custodian Address
COMERICA BANK - LYNN HUTZEL-VEISEL .....	P.O. BOX 75000, DETROIT, MI 48275-3462 .....
.....	.....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
N/A .....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes☐ No☒

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....	.....	.....	.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
N/A .....	.....	.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

18.2 If no, list exceptions:

Yes☐ No☒

NOT REQUIRED BY STATE OF DOMICILE

**GENERAL INTERROGATORIES**

**PART 2 - HEALTH**

1. Operating Percentages:	
1.1 A&H loss percent	83.510%
1.2 A&H cost containment percent	0.180%
1.3 A&H expense percent excluding cost containment expenses	15.430%
2.1 Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
<b>Accident and Health - Affiliates</b>								
60739 .....	74-0484030 .....	11/01/2014 .....	AMERICAN NATL INS CO .....	TX .....	SSL/L/I .....	Authorized .....		

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**  
**Current Year to Date - Allocated by States and Territories**

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL) .....	N								
2.	Alaska (AK) .....	N								
3.	Arizona (AZ) .....	N								
4.	Arkansas (AR) .....	N								
5.	California (CA) .....	N								
6.	Colorado (CO) .....	N								
7.	Connecticut (CT) .....	N								
8.	Delaware (DE) .....	N								
9.	District of Columbia (DC) .....	N								
10.	Florida (FL) .....	N								
11.	Georgia (GA) .....	N								
12.	Hawaii (HI) .....	N								
13.	Idaho (ID) .....	N								
14.	Illinois (IL) .....	N								
15.	Indiana (IN) .....	N								
16.	Iowa (IA) .....	N								
17.	Kansas (KS) .....	N								
18.	Kentucky (KY) .....	N								
19.	Louisiana (LA) .....	N								
20.	Maine (ME) .....	N								
21.	Maryland (MD) .....	N								
22.	Massachusetts (MA) .....	N								
23.	Michigan (MI) .....	L		2,162,099	158,947,192				161,109,291	
24.	Minnesota (MN) .....	N								
25.	Mississippi (MS) .....	N								
26.	Missouri (MO) .....	N								
27.	Montana (MT) .....	N								
28.	Nebraska (NE) .....	N								
29.	Nevada (NV) .....	N								
30.	New Hampshire (NH) .....	N								
31.	New Jersey (NJ) .....	N								
32.	New Mexico (NM) .....	N								
33.	New York (NY) .....	N								
34.	North Carolina (NC) .....	N								
35.	North Dakota (ND) .....	N								
36.	Ohio (OH) .....	N								
37.	Oklahoma (OK) .....	N								
38.	Oregon (OR) .....	N								
39.	Pennsylvania (PA) .....	N								
40.	Rhode Island (RI) .....	N								
41.	South Carolina (SC) .....	N								
42.	South Dakota (SD) .....	N								
43.	Tennessee (TN) .....	N								
44.	Texas (TX) .....	N								
45.	Utah (UT) .....	N								
46.	Vermont (VT) .....	N								
47.	Virginia (VA) .....	N								
48.	Washington (WA) .....	N								
49.	West Virginia (WV) .....	N								
50.	Wisconsin (WI) .....	N								
51.	Wyoming (WY) .....	N								
52.	American Samoa (AS) .....	N								
53.	Guam (GU) .....	N								
54.	Puerto Rico (PR) .....	N								
55.	U.S. Virgin Islands (VI) .....	N								
56.	Northern Mariana Islands (MP) .....	N								
57.	Canada (CAN) .....	N								
58.	Aggregate other alien (OT) .....	X X X								
59.	Subtotal .....	X X X		2,162,099	158,947,192				161,109,291	
60.	Reporting entity contributions for Employee Benefit Plans .....	X X X								
61.	Total (Direct Business) .....	(a)..... 1		2,162,099	158,947,192				161,109,291	
DETAILS OF WRITE-INS										
58001.	.....	X X X								
58002.	.....	X X X								
58003.	.....	X X X								
58998.	Summary of remaining write-ins for Line 58 from overflow page .....	X X X								
58999.	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) .....	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER**  
**MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

TOTAL HEALTH CARE, INC. – PARENT  
38-2018957, NAIC #95644, STATE OF MICHIGAN

TOTAL HEALTH CARE USA, INC. – WHOLLY OWNED SUBSIDIARY OF TOTAL HEALTH CARE, INC.  
383240485, NAIC #12326, STATE OF MICHIGAN

**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Comp-any Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domic-iliary Loca-tion	Relation-ship to Report-ing Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
1238 ..	TOTAL HEALTH GROUP .....	95644	38-2018957 ..	.....	.....	.....	TOTAL HEALTH CARE INC	.. MI ..	.. UDP ..	.....	.....	.....	.....	.....
1238 ..	TOTAL HEALTH GROUP .....	12326	38-3240485 ..	.....	.....	.....	TOTAL HEALTH CARE USA INC .....	.. MI ..	.. DS ..	TOTAL HEALTH CARE INC ...	Ownership, Board of Directors .....	..... 100.0	TOTAL HEALTH CARE INC	.....
.....	.....	00000	.....	.....	.....	.....	.....	.....	.. UDP ..	.....	.....	.....	.....	.....

Asterisk	Explanation
0000001	.....



**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



OVERFLOW PAGE FOR WRITE-INS

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1	2	3	4
	Uncovered	Total	Total	Total
0604. ....	X X X .....	.....	.....	.....
0605. ....	X X X .....	.....	.....	.....
0606. ....	X X X .....	.....	.....	.....
0697. Summary of remaining write-ins for Line 6 (Lines 0604 through 0696) .....	X X X .....	.....	.....	.....
0797. Summary of remaining write-ins for Line 7 (Lines 0704 through 0796) .....	X X X .....	.....	.....	.....
1404. ....	.....	.....	.....	.....
1405. ....	.....	.....	.....	.....
1406. ....	.....	.....	.....	.....
1407. Other Expense .....	.....	.....	.....	.....
1497. Summary of remaining write-ins for Line 14 (Lines 1404 through 1496) .....	.....	.....	.....	.....
2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996) .....	.....	.....	.....	.....

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
4704. ....	.....	.....	.....
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796) .....	.....	.....	.....

STATEMENT AS OF **June 30, 2015** OF THE **TOTAL HEALTH CARE, INC.**

SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....		
2.	Cost of acquired .....		
2.1	Actual cost at time of acquisition .....		
2.2	Additional investment made after acquisition .....		
3.	Current year change in encumbrances .....		
4.	Total gain (loss) on disposals .....		
5.	Deduct amounts received on disposals .....		
6.	Total foreign exchange change in book/adjusted carrying value .....		
7.	Deduct current year's other than temporary impairment recognized .....		
8.	Deduct current year's depreciation .....		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8 ) .....		
10.	Deduct total nonadmitted amounts .....		
11.	Statement value at end of current period (Line 9 minus Line 10) .....		

SCHEDULE B - VERIFICATION

Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2.	Cost of acquired: .....		
2.1	Actual cost at time of acquisition .....		
2.2	Additional investment made after acquisition .....		
3.	Capitalized deferred interest and other .....		
4.	Accrual of discount .....		
5.	Unrealized valuation increase (decrease) .....		
6.	Total gain (loss) on disposals .....		
7.	Deduct amounts received on disposals .....		
8.	Deduct amortization of premium and mortgage interest points .....		
9.	Total foreign exchange change in book value/recorded investment .....		
10.	Deduct current year's other than temporary impairment recognized .....		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12.	Total valuation allowance .....		
13.	Subtotal (Line 11 plus Line 12) .....		
14.	Deduct total nonadmitted amounts .....		
15.	Statement value at end of current period (Line 13 minus Line 14) .....		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....		
2.	Cost of acquired: .....		
2.1	Actual cost at time of acquisition .....		
2.2	Additional investment made after acquisition .....		
3.	Capitalized deferred interest and other .....		
4.	Accrual of discount .....		
5.	Unrealized valuation increase (decrease) .....		
6.	Total gain (loss) on disposals .....		
7.	Deduct amounts received on disposals .....		
8.	Deduct amortization of premium and depreciation .....		
9.	Total foreign exchange change in book/adjusted carrying value .....		
10.	Deduct current year's other than temporary impairment recognized .....		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12.	Deduct total nonadmitted amounts .....		
13.	Statement value at end of current period (Line 11 minus Line 12) .....		

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	18,597,647	16,208,157
2.	Cost of bonds and stocks acquired .....		249,000
3.	Accrual of discount .....		
4.	Unrealized valuation increase (decrease) .....	701,449	2,140,490
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration for bonds and stocks disposed of .....		
7.	Deduct amortization of premium .....		
8.	Total foreign exchange change in book/adjusted carrying value .....		
9.	Deduct current year's other than temporary impairment recognized .....		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	19,299,096	18,597,647
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	19,299,096	18,597,647

QSI02

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	2,146,651	1,006,266	500,000	(113)	2,146,651	2,652,804		1,142,968
2. NAIC 2 (a) .....	249,548			(145)	249,548	249,403		249,466
3. NAIC 3 (a) .....								
4. NAIC 4 (a) .....								
5. NAIC 5 (a) .....								
6. NAIC 6 (a) .....								
7. Total Bonds .....	2,396,199	1,006,266	500,000	(258)	2,396,199	2,902,207		1,392,434
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....								
9. NAIC 2 .....								
10. NAIC 3 .....								
11. NAIC 4 .....								
12. NAIC 5 .....								
13. NAIC 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	2,396,199	1,006,266	500,000	(258)	2,396,199	2,902,207		1,392,434

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

**SCHEDULE DA - PART 1**

**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2  Par Value	3  Actual Cost	4  Interest Collected Year To Date	5  Paid for Accrued Interest Year To Date
9199999. Totals .....	1,902,222	X X X	1,902,222	334	

**SCHEDULE DA - Verification**

**Short-Term Investments**

		1  Year To Date	2  Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	393,855	596,170
2.	Cost of short-term investments acquired .....	2,008,367	9,281,685
3.	Accrual of discount .....		
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration received on disposals .....	500,000	9,484,000
7.	Deduct amortization of premium .....		
8.	Total foreign exchange change in book/adjusted carrying value .....		
9.	Deduct current year's other than temporary impairment recognized ....		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	1,902,222	393,855
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	1,902,222	393,855

**SI04   Schedule DB - Part A Verification   ..... NONE**

**SI04   Schedule DB - Part B Verification   ..... NONE**

**SI05   Schedule DB Part C Section 1   ..... NONE**

**SI06   Schedule DB Part C Section 2   ..... NONE**

**SI07   Schedule DB - Verification   ..... NONE**

**SI08   Schedule E - Verification (Cash Equivalents)   ..... NONE**

<b>E01</b>	<b>Schedule A Part 2</b>	<b>NONE</b>
<b>E01</b>	<b>Schedule A Part 3</b>	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 2</b>	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 3</b>	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 2</b>	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 3</b>	<b>NONE</b>
<b>E04</b>	<b>Schedule D Part 3</b>	<b>NONE</b>
<b>E05</b>	<b>Schedule D Part 4</b>	<b>NONE</b>
<b>E06</b>	<b>Schedule DB Part A Section 1</b>	<b>NONE</b>
<b>E07</b>	<b>Schedule DB Part B Section 1</b>	<b>NONE</b>
<b>E08</b>	<b>Schedule DB Part D Section 1</b>	<b>NONE</b>
<b>E09</b>	<b>Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity</b>	<b>NONE</b>
<b>E09</b>	<b>Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity</b>	<b>NONE</b>
<b>E10</b>	<b>Schedule DL - Part 1 - Securities Lending Collateral Assets</b>	<b>NONE</b>
<b>E11</b>	<b>Schedule DL - Part 2 - Securities Lending Collateral Assets</b>	<b>NONE</b>

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
Comerica Bank .....	COMERICA, DETROIT, MI .....			0.060 .....	1,959 .....	494 .....	33,924,825 .....	36,022,918 .....	32,757,429 .....	X X X
Apple bank for Savings .25% .....	COMERICA, DETROIT, MI .....	06/11/2014 .....		0.250 .....	623 .....		249,022 .....	249,005 .....		X X X
Discover Bank .40% .....	COMERICA, DETROIT, MI .....	06/18/2014 .....		0.400 .....	996 .....		249,065 .....	249,025 .....		X X X
State Bank of India .35% .....	COMERICA, DETROIT, MI .....	06/27/2014 .....		0.350 .....	869 .....		249,055 .....	249,032 .....		X X X
Bank of Baroda .30% .....	COMERICA, DETROIT, MI .....	08/08/2014 .....		0.300 .....	561 .....		250,007 .....			X X X
Comenity Cap Bk Salt Lake City U .35% .....	COMERICA, DETROIT, MI .....	08/15/2014 .....		0.350 .....		777 .....	250,052 .....	250,060 .....	250,045 .....	X X X
Everbank Jacksonville F S B .40% .....	COMERICA, DETROIT, MI .....	08/14/2014 .....		0.400 .....		880 .....	250,087 .....	250,085 .....	250,060 .....	X X X
Merrick Bk South Jordan Utah .45% .....	COMERICA, DETROIT, MI .....	08/14/2014 .....		0.450 .....	282 .....	52 .....	249,119 .....	249,109 .....	249,072 .....	X X X
Oriental .50% .....	COMERICA, DETROIT, MI .....	08/22/2014 .....		0.500 .....	315 .....	31 .....	250,157 .....	250,142 .....	250,100 .....	X X X
Premier Bk of the South Cullman .35% .....	COMERICA, DETROIT, MI .....	08/18/2014 .....		0.350 .....	221 .....	31 .....	250,050 .....	250,060 .....	250,050 .....	X X X
TCF National Bank .35% .....	COMERICA, DETROIT, MI .....	08/13/2014 .....		0.350 .....		772 .....	250,052 .....	250,060 .....	250,045 .....	X X X
Customers Bk Phoenixville PA .45% .....	COMERICA, DETROIT, MI .....	09/10/2014 .....		0.450 .....		906 .....	250,120 .....	250,120 .....	250,105 .....	X X X
First Niagara Bk Nat'l Assn Buffa .45% .....	COMERICA, DETROIT, MI .....	09/12/2014 .....		0.450 .....		900 .....	250,120 .....	250,120 .....	250,105 .....	X X X
First bank P R Santurce .60% .....	COMERICA, DETROIT, MI .....	09/12/2014 .....		0.600 .....	378 .....	78 .....	250,217 .....	250,197 .....	250,155 .....	X X X
Medallion Bank .40% .....	COMERICA, DETROIT, MI .....	09/10/2014 .....		0.400 .....		805 .....	250,078 .....	250,087 .....	250,082 .....	X X X
Synovus BK Columbus .50% .....	COMERICA, DETROIT, MI .....	09/11/2014 .....		0.500 .....		1,003 .....	250,165 .....	250,155 .....	250,127 .....	X X X
Bank of India .35% .....	COMERICA, DETROIT, MI .....	10/22/2014 .....		0.350 .....		602 .....	249,005 .....	249,025 .....	249,047 .....	X X X
Bank Of Augusta .30% .....	COMERICA, DETROIT, MI .....	10/29/2014 .....		0.300 .....	188 .....	4 .....	248,940 .....	248,970 .....	249,000 .....	X X X
Bank Champaign Nat'l Assn Ill .35% .....	COMERICA, DETROIT, MI .....	10/30/2014 .....		0.350 .....	220 .....	2 .....	249,000 .....	249,020 .....	249,040 .....	X X X
Beal Bank USA Las Vegas Nev .35% .....	COMERICA, DETROIT, MI .....	10/22/2014 .....		0.350 .....		602 .....	249,005 .....	249,025 .....	249,047 .....	X X X
Bogota Svgs Bk N J .35% .....	COMERICA, DETROIT, MI .....	10/30/2014 .....		0.350 .....		585 .....	250,000 .....	250,017 .....	250,040 .....	X X X
Iroquois Fed Svgs & Ln Assn Wats .35% .....	COMERICA, DETROIT, MI .....	10/30/2014 .....		0.350 .....	221 .....	2 .....	250,000 .....	250,020 .....	250,040 .....	X X X
Regal Bk & Tr Owings Mls Md .30% .....	COMERICA, DETROIT, MI .....	10/21/2014 .....		0.300 .....		518 .....	248,948 .....	248,978 .....	249,010 .....	X X X
Santander Bk Nat'l Assn Wilmington .40% .....	COMERICA, DETROIT, MI .....	10/23/2014 .....		0.400 .....		671 .....	250,088 .....	250,077 .....	250,040 .....	X X X
Standard B&T Company .40% .....	COMERICA, DETROIT, MI .....	10/29/2014 .....		0.400 .....		671 .....	250,268 .....	250,243 .....	250,213 .....	X X X
Welch St BK Okla .30% .....	COMERICA, DETROIT, MI .....	10/30/2014 .....		0.300 .....	188 .....	2 .....	248,940 .....	248,968 .....	249,000 .....	X X X
Bankers Bk Okla City .30% .....	COMERICA, DETROIT, MI .....	11/14/2014 .....		0.300 .....	189 .....	35 .....	249,923 .....	249,955 .....	249,988 .....	X X X
Brand Baking Co .40% .....	COMERICA, DETROIT, MI .....	10/31/2014 .....		0.400 .....	249 .....	3 .....	250,060 .....	250,070 .....	250,080 .....	X X X
Enerbank USA Salt Lake City .45% .....	COMERICA, DETROIT, MI .....	11/26/2014 .....		0.450 .....		669 .....	250,115 .....	250,120 .....	250,120 .....	X X X
GE Cap Bk Inc Retail Ctf Dep Pro .40% .....	COMERICA, DETROIT, MI .....	11/24/2014 .....		0.400 .....	496 .....	111 .....	250,048 .....	250,063 .....	250,073 .....	X X X
Newbridge BK Greensboro NC .30% .....	COMERICA, DETROIT, MI .....	11/28/2014 .....		0.300 .....	189 .....	6 .....	249,905 .....	249,940 .....	249,973 .....	X X X
Plainscapital Bk Lubbock TX .35% .....	COMERICA, DETROIT, MI .....	10/31/2014 .....		0.350 .....		583 .....	250,000 .....	250,018 .....	250,040 .....	X X X
Sterling Bk Poplar Bluff MO .40% .....	COMERICA, DETROIT, MI .....	10/31/2014 .....		0.400 .....		663 .....	249,060 .....	249,070 .....	249,077 .....	X X X
Northfield Bk Staten IS N Y .45% .....	COMERICA, DETROIT, MI .....	12/09/2014 .....		0.450 .....		629 .....	250,103 .....	250,118 .....	250,120 .....	X X X
Bank of Baroda CD .35% .....	COMERICA, DETROIT, MI .....	06/23/2015 .....		0.350 .....		5 .....			250,003 .....	X X X
State Bank of India .35% .....	COMERICA, DETROIT, MI .....	06/23/2015 .....		0.350 .....		10 .....			250,025 .....	X X X
	COMERICA, DETROIT, MI .....									X X X
	COMERICA, DETROIT, MI .....									X X X
	COMERICA, DETROIT, MI .....									X X X
	COMERICA, DETROIT, MI .....									X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories .....			X X X	X X X						X X X
0199999 Totals - Open Depositories .....			X X X	X X X	8,144 .....	13,102 .....	42,165,599 .....	44,013,872 .....	40,501,351 .....	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories .....			X X X	X X X						X X X
0299999 Totals - Suspended Depositories .....			X X X	X X X						X X X
0399999 Total Cash On Deposit .....			X X X	X X X	8,144 .....	13,102 .....	42,165,599 .....	44,013,872 .....	40,501,351 .....	X X X
0499999 Cash in Company's Office .....			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash .....			X X X	X X X	8,144 .....	13,102 .....	42,165,599 .....	44,013,872 .....	40,501,351 .....	X X X



**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents .....					.....	.....	.....

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